

Stalking the Red Intruders

How the CIA's counterintelligence chief virtually paralyzed the agency at the height of the cold war with his obsessive pursuit of Soviet moles

By **BRUCE VAN VOORST** WASHINGTON

James Jesus Angleton was an enigma. With his horn-rimmed glasses, hom-burg hats and foppish manners, he looked more like a Cambridge don than an American spy hunter. Yet the Idaho-born Yale graduate, who joined the Central Intelligence Agency after a wartime stint in the Office of Strategic Services, had a flair for global intrigue and office politics that propelled him into the CIA's upper echelons. During his 20-year tenure as head of counterintelligence at the height of the cold war, Angleton hamstrung the agency with a paranoid mole hunt that led him to ignore crucial leads provided by KGB defectors—and even to terrorize staff members with intimidating inquiries. By the time he was sacked in 1974, the hard-drinking, chain-smoking Angleton had so thoroughly undermined the agency's effectiveness that a formal CIA review accused him of having a "very detrimental" effect on the agency.

Those sensational charges are advanced by British author Tom Mangold in a new book, *Cold Warrior* (Simon & Schuster, \$22.95), and provide the basis for a PBS *Frontline* special, *The Spy Hunter*, airing May 14. Though allegations of wrenching divisions within the CIA in the 1960s and early '70s are not new, Mangold has managed to corroborate many of the details in interviews with former CIA officials who were so distressed over events of that era that they were willing to break their vow of silence. After three years of research, Mangold concludes that counterintelligence and the recruitment of Soviets—both of which came under Angleton's scrutiny—"were virtually paralyzed by Angleton's operations." *TIME*'s survey of many senior CIA veterans indicates there is considerable truth to this judgment.

Angleton's fixation on Soviet penetration probably began with allegations that his best friend in Britain's MI6 intelligence service, Kim Philby, was a KGB

mole. Philby removed all doubt when he defected to the Soviets in 1963. "After the Philby case," says an Angleton friend, "Jim was never the same." But the full scope of Angleton's obsessive mole hunt was not apparent until his dismissal. Agents sent to clear out his secret vault at the CIA's Langley, Va., headquarters discovered hundreds of files from his Ahab-like search for Soviet counteragents within the ranks of the CIA. Investigators were baffled to find scores of unexplored leads and astounding revelations of Angleton's misdeeds and malfeasance. Among them:

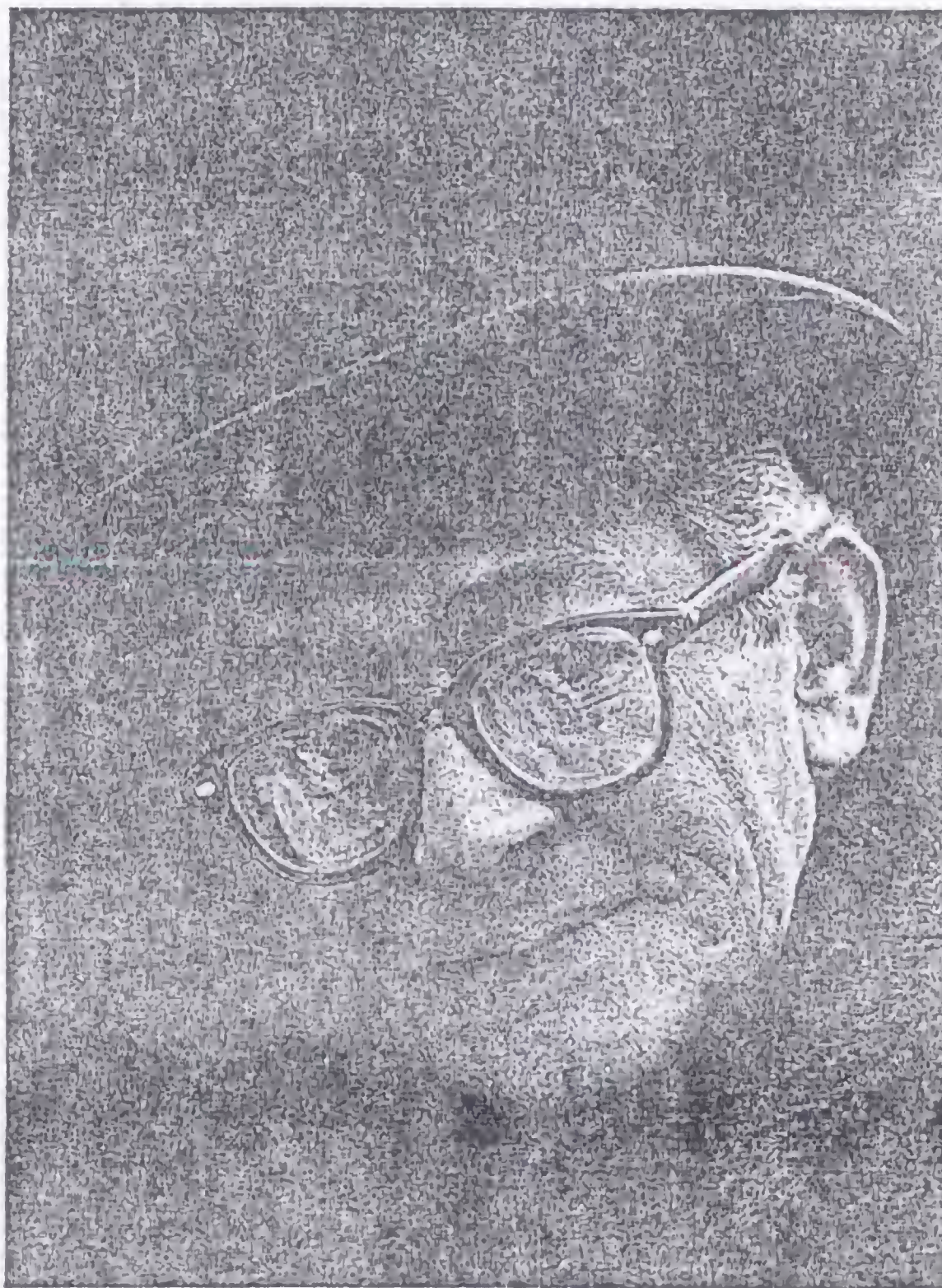
THE NICK NACK DOSSIER. The FBI gave Angleton a file full of tips from a Soviet military intelligence officer code-named "Nick Nack," who outlined Soviet penetrations around the world. Angleton, convinced that the agent was part of a Soviet

plot to plant a mole, stuffed the report in a safe and ignored its contents. When Angleton's successor, George Kalaris, followed up the information, all of the 20 leads it contained resulted in arrests and convictions of important Soviet agents. "In each instance," says Mangold, "spies continued to operate for seven to 10 years because of Angleton's neglect."

THE LOGINOV BETRAYAL. Angleton was the prime motivator in the tragic case of Yuri Loginov, a Soviet KGB officer who provided valuable intelligence to the CIA for more than six years. Angleton decided that Loginov, then under Soviet "deep cover" in South Africa, was "dirty"—a Soviet plant. Loginov was exposed as a KGB spy to local authorities, who in 1969 turned him over to the West Germans to use in a spy swap with the East. In 1979 an agency review determined that Loginov had been aboveboard and his information valid.

THE GOLITSYN DEFECTION. Angleton's fears of a mole in the CIA appeared to be confirmed in 1961 by KGB Major Anatoly Golitsyn, a Soviet defector. Although Golitsyn initially denied any knowledge of Soviet penetrations, he later claimed that the Soviets had planted an agent code-named "Sasha" inside the agency. Golitsyn also described a Soviet "master plan" to provide disinformation to the CIA and cautioned that subsequent Soviet defectors would be dispatched to discredit him. Thus when KGB Lieut. Colonel Yuri Nosenko defected in 1964, the stage was set for a monumental confrontation that still reverberates within the halls of the CIA. Nosenko claimed to have first-hand knowledge that the KGB was not involved in the assassination of President John Kennedy and, moreover, that there was no Soviet penetration of the CIA. But Golitsyn fingered Nosenko as a false defector, and Angleton sided with Golitsyn.

Unable to find a mole among Soviet defectors and counteragents, Angleton turned



After the fall: spy catcher James Angleton in 1975

An internal review judged his impact "very detrimental" to the agency.



George Kalaris, Angleton's successor, followed up many missed leads



KGB defector Golitsyn told of a Soviet "master plan"

on the CIA's own staff. Some 40 officers in the Soviet Division were considered suspect, and 14 of them were seriously investigated. Angleton's only grounds were that they were of Russian origin or, based on Golitsyn's allegations, that their names began with *K*. Three senior CIA officials who later learned how the investigation had marred their careers sued the agency and won six-figure compensations. KGB Colonel Oleg Gordievsky, who spied for the West for 10 years before defecting in 1985, said after reviewing Angleton's cases that the former counterintelligence chief "displayed disgraceful ignorance of the KGB and the Soviet system as a whole."

Angleton's conduct greatly inhibited

the CIA's attempts to recruit Soviet agents at the height of the cold war. Retired veterans of the agency's Soviet Division describe a lethargy that gripped them because of Angleton's constant security fears. "Jim had gotten out of hand," concludes former CIA Director William Colby. "His central intelligence staff had become far too intimidating." The Soviet Division, according to Colby, "wasn't doing anything worthwhile." Richard Helms, who was the CIA's director from 1966 to 1972, concedes that "Jim fell in love with his agent Golitsyn," but he also insists that "it speaks well for Jim that the CIA was not penetrated on his watch."

To many observers, Angleton's defense

of the CIA against Soviet penetration is sufficient evidence of his professionalism and his contribution to the nation. But as former senior CIA officials speak out on the abuses and failings of that period, it becomes increasingly clear what a heavy price was paid. Mangold's account leaves many questions unanswered; yet his sources, many of them never before heard from, convincingly challenge the air of omniscience that Angleton cultivated. Intelligence is always a shifting kaleidoscope of light and shadow, reality and illusion, but the basic lesson of Angleton's career is that nobody in a clandestine organization such as the CIA should ever be allowed the degree of power he possessed.

Webster Bids Farewell to Langley

President George Bush and CIA Director William Webster clowned around like high school kids last week at a news conference called to announce Webster's resignation from the agency. "We're going to miss you, pal," Bush said. Webster thanked the President, praised him and quipped, "I know a good thyroid when I see one."

It was the end of Webster's four-year stint at the helm of America's vast intelligence network. He had ably carried out the mandate given to him at the outset: to restore the CIA's image and accountability, both of which had been badly damaged by his predecessor, the devious and headstrong William Casey. "Webster improved relations with Congress. Internally, he established stricter rules," says David Whipple, a former senior CIA official who now heads the Association of Former Intelligence Officers. "He did his job very well."

A former FBI director and federal judge, Webster improved cooperation between the agency and the bureau on counterintelligence matters. He increased to an all-time high the number of CIA officers involved in recruiting agents abroad. He also began reorienting intelligence priorities for a world in which the Warsaw Pact had collapsed and economic and

Third World issues were becoming increasingly important.

But Webster was also criticized for not playing a sufficiently forceful role in the Administration. The President disagreed: "There's always some s.o.b. who thinks Webster ought to be making policy the way Bill Casey did," Bush told his aides. Yet opinion in Washington is nearly unanimous in the view that Webster did not develop the mastery of foreign policy or of intelligence issues needed to steer the ship of spookdom through the uncharted 1990s.

The leading contenders to replace Webster at the agency's Langley, Va., headquarters are Deputy National Security Adviser Robert Gates and Ambassador to Beijing James Lilley, who ended his two-year stint last week. Gates, a respected former CIA Soviet analyst who was Casey's deputy, is the odds-on favorite among White House staff members. But he would face careful questioning by the Senate about his knowledge of the Iran-contra affair. Lilley, a former CIA operations officer, became close to Bush when the future President served as head of the U.S. diplomatic mission to Beijing in 1974. Both Gates and Lilley appear well qualified to head what Webster last week rightly called the "healthy organization" he is leaving behind.